



ROCKY MOUNT CHURCH

Giving Policy

INTRODUCTION

Thank you for your interest in giving financially to Rocky Mount Church. By donating, you are investing in the ministries of the church. We, as a Church have been able to reach out to a lot of people in our community as well as have the chance to learn more in many studies offered here at Rocky Mount Church because of your generosity.

Rocky Mount Church is a qualified charitable organization exempt from federal income taxes under IRS Sec 501(c)(3). Contributions to the church are deductible for federal income tax purposes under the rules and regulations established under the current provisions of the Internal Revenue Code.

Online giving may be allocated to either the General Fund or to the Building Fund. If you desire to specify another ministry or fund with your donation, that cannot be done online. You may donate in person on Sunday morning, drop the donation off at the church office Mon-Thu, or mail your donation to us at 1739 Perth Road, Mooresville NC 28117. You may indicate on your check which ministry you would like to donate to.

Donors are free to suggest ministries/beneficiaries of their contribution. However, such suggestions shall be deemed advisory rather than mandatory in nature. The administration of funds, including all disbursements, is subject to the exclusive control and discretion of the church staff and advisory committees. At the conclusion of two years from the donation, if funds have not been, or have not been able to be assigned to the indicated ministry, funds may move to the general account of Rocky Mount Church.

TYPES OF CONTRIBUTIONS

A contribution to the church is either 1) General Fund, which supports the yearly budget of the church through our General Fund, or 2) Building Fund, which are payments applied to the outstanding debt on our building, or 3) designated giving, which supports other approved funds or projects of the church (which may or may not be part of the yearly budget). The purpose of this policy is to set forth how any kinds of gifts will be treated to be considered a tax-deductible contribution. For purposes of this policy, the following terms are used:

- Tax Deductible or Charitable Contribution – a gift of cash or property given to a qualified organization by a donor who receives no tangible benefits from the gift and gives up full control of the gift for the organization to use for its purpose and mission.
- Undesignated Gift – A gift that is given without designation. The yearly budget (General Fund) is funded primarily through undesignated gifts, and as such, donors are encouraged to give without designation.
- Designated Gift – A gift that is designated for a specific fund (other than the General Fund) or ministry project. Designated giving will be accepted only for funds or special projects that have been approved. Such funds will be used to support the purpose for which they were originally intended until that purpose has been satisfied, after which any excess funds are used for other purposes consistent with the church's ministry. Designated gifts for budgeted line-item expenses (e.g., specific ministry or event) will be accepted in accordance with #2 below.

FUNDS AND DESCRIPTIONS

- General Fund – The General Fund supports our regular ministries and programs, mission work in the local and global community, and ensures that the operations of the church continue. This fund includes all undesignated gifts from our weekly tithes and offerings. Each year, the Finance Committee prepares a yearly budget for the General Fund. This budget will guide the disbursement of funds from the General Fund.
- Building Fund – This fund supports building debt, capital improvements and facility enhancements.

The administration of the fund, including all disbursements, is subject to the direction of the Finance Committee. The church recognizes that planning for future needs is a practice of good stewardship and has established this fund as an ongoing fund. Should at any time the Finance Committee choose to close this fund,

all money in the fund at that time may be used for other purposes consistent with the church's ministry, and such decisions would be communicated to the church family.

- RMC Care Fund – This fund supports compassion initiatives for members of our church and community. Through this fund, we can minister to those in need in our church, community, and around the world. The church recognizes the importance of meeting the physical and financial needs of those in crisis and has established this fund as an ongoing fund. Should at any time the Finance Committee choose to close this fund, all money in the fund at that time may be used for other purposes consistent with the church's ministry, and such decisions would be communicated to the church family.

Note: Other funds for special projects may be created on a temporary basis as determined by the Finance Committee and/or the Administrative Team. Any money collected earmarked for other funds are considered advisory in nature and may be used for other purposes consistent with the church's ministry, and such decisions would be communicated to the donors as we are able (see "Refunding a Charitable Contribution; Designated gifts for a special project" below).

GIVING POLICIES

- 1) All undesignated giving from our weekly tithes and offerings will be directed to the General Fund.
- 2) Any gift designated for a budget category or line-item expense (under any fund) will be applied to the budgeted amount. Such gifts will be used to support the purpose for which they were originally intended until that purpose has been satisfied, after which any excess funds are used for other purposes consistent with the church's ministry.
- 3) According to IRS regulations, for a gift to be considered a tax-deductible contribution, the church must maintain full control over how the gift is used. Therefore, any gift that is clearly designated for and limited to the benefit of a particular individual, item, event, or fund (such as when the gift is accompanied by notations like "use for," "funds for," "only for," "limited to," etc.) are considered advisory only and may be returned to the donor.
- 4) The church will not accept gifts for ministries, agencies, or organizations outside of the church asking to forward the donation to that ministry unless the church has taken up an offering for a specific purpose for a specific time

frame. The church encourages people to give directly to outside ministries that they would like to support, rather than using the church as a "conduit".

5) The church can accept gifts of stock. Contact the Financial Administrator of the church for details on how to contribute stock. The value reflected on your contribution statement will be equal to the value of the stock when we sell it. However, the deductible amount allowed by the IRS depends on information that you should obtain from your broker, so please confer with your broker as to the exact value that you can deduct.

6) The value of personal services donated is not deductible as a charitable contribution and donations of this type cannot be reflected on the individual's record of giving. The church may rely on volunteers to fulfill its ministry.

7) The value of donated goods to the church may be deductible as a charitable contribution, however, donations of this type will not be reflected on the individual's record of giving. If the goods exceed a fair market value of \$250, a letter recognizing the donation may be requested from the Financial Administrator of the church. Only specific items will be itemized in the letter, as the fair market value will need to be reported to the IRS by the donor and substantiated by receipts.

8) On the occasion that a person is given pre-approval by a ministry leader to purchase items for a ministry and receive a reimbursement, the donor may not receive contribution credit for items bought for the church's ministries instead of being reimbursed. We are always grateful for the generous spirit of our people, and we want to do what we can to accommodate this request. But it can be challenging to establish an adequate trail to substantiate the gift as well as convert a ministry expense into a donation in our system. Instead, we ask these donors either purchase the ministry items they would like to donate on their own accord and donate them to the church. Or the donor may submit a check request for the reimbursement (which must be pre-approved by the appropriate ministry leader), and then return the money as a contribution to the church.

9) Gifts designated to a specific individual do not qualify as charitable contributions under IRS regulations and should be avoided. In situations where a name appears regarding a gift, unless clearly designated otherwise (see #3 above), such gifts will be accepted with the understanding that the donor was making a non-binding advisory suggestion only. Such gifts will be utilized as the church administration deems advisable (exercising its discretion and control) and not necessarily as suggested by the donor.

REFUNDING A CHARITABLE CONTRIBUTION

A charitable contribution (undesignated) will not be returned to the donor. To refund the gift would be contrary to the basic definition of a charitable contribution and could have possible tax implications to the donor and potentially cause a liability to the church.

Refunds on a designated contribution will be handled in the following manner:

- Mission Trip Designation – Gifts designated for individuals to cover mission trip expenses are considered tax deductible if the donor has the understanding that the designation is an advisory suggestion, and the gift is ultimately under the control of the church to use as it deems necessary. In addition, individuals participating in a mission trip who wish to make a designated gift towards their trip should be able to take tax deductions for their gift because we lead our trips in a manner to be consistent with tax-exempt regulations. Donors need to understand when they designate a gift for a specific individual (or themselves), any funds given above and beyond what is needed for that individual will be used as the church deems necessary to further its mission and purpose. Therefore, trip funds are non-refundable. In the event of an extenuating circumstance where a team member must withdraw from a trip or a trip is cancelled, an appeal may be made to the Missions Committee for a transfer or refund of the individual's deposit and/or contribution towards their trip, but only if the trip will not suffer a financial hardship because of the refund. If a refund is granted, the individual needs to be aware of the possible need to file an amended tax return if the contribution is refunded and the deduction was claimed in a previous year.
- Designated gifts for a special project – Every reasonable effort will be made to use the designated gift for the purpose in which it was designated. However, if the special project no longer exists, the church will make every reasonable effort to contact the donors of such gifts. The purpose of this is to give the donor the option of re-designating the gift to a different project or fund or refunding it. The donor needs to be aware of the possible need to file an amended tax return if the gift is refunded and the deduction was claimed in a previous year. Obviously, this procedure is only appropriate for those donors who can be identified. Donations that cannot be identified will be redirected towards other purposes consistent with the church's ministry.

CONTRIBUTION STATEMENTS

Donors will receive a mid-year giving statement confirming the amounts, donation accounts and date of gifts, as well as calendar year-end tax receipts documenting such gifts as deductible contributions for income tax purposes in the United States. Each donor is advised to consult their personal income tax advisor for the applicability of such contributions in their own circumstance.

YEAR OF CONTRIBUTION

The IRS provides clear guidelines regarding the date of posting contributions, which we follow carefully. All contributions received or postmarked by December 31 will be included in that year's contribution statement. If the contribution is received or postmarked after December 31, it will be included in the contribution statement of the year in which it is received/postmarked—regardless of the date on the check.

CONCLUSION

The church respects the donor's decision to give as led by the Lord. The above policies are meant to provide guidance to the donor and the church body as well as comply with the applicable tax laws. The church reserves the right to refuse contributions that are not related to the primary purpose of the church, not in the best interest of the church, or those not qualified for tax purposes. The church also reserves the right to amend these policies at any time.

If you have any questions about your donations or giving statement, please direct your questions to our Director of Operations, Pete Herrick at pete@rockymountchurch.com and he will work with our Financial Team to provide answers. You may also call the church office at 704-528-5525.

Rocky Mount Church is a registered 501(c)3 non-profit, religious organization. Your contribution is tax-deductible as allowed by IRS guidelines. No goods or services are provided in exchange for donations.

Tax ID: 56-1079482